

AN ORDINANCE **97702**

**DESIGNATING THE AERO SKY REINVESTMENT ZONE DESCRIBED
AS APPROXIMATELY 15 ACRES OF LAND LOCATED IN CITY
COUNCIL DISTRICT 9 IN NORTHEAST SAN ANTONIO AT 2030 FIRST
AVENUE AT THE SAN ANTONIO INTERNATIONAL AIRPORT.**

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WHEREAS, Aero Sky, L.L.C. (hereinafter “Aero Sky”) has been a corporate resident of San Antonio, conducting aircraft maintenance operations at the San Antonio International Airport (hereinafter “Airport”) since 1993; and

WHEREAS, the company specializes in routine and heavy aircraft maintenance for corporate jets and major airlines such as Delta Airlines, America West, Eagle Aviation and Express One, with an emphasis on interior refurbishment for overseas air carriers and VIP aircraft; and

WHEREAS, Aero Sky currently leases its facilities from the Airport while employing 40 full-time personnel with an annual payroll of approximately \$2 million, as well as utilizing 350 local vendors and subcontractors at a cost of approximately \$1.5 million per year; and

WHEREAS, Aero Sky is scheduled to enter into a new 25-year ground lease agreement with the City for approximately 15 acres of land located at 2030 First Avenue at the Airport to facilitate the construction of new facilities to house the company’s expanded operations to include an 83,200 square foot aircraft hangar, a 40,000 square foot facility for maintenance, inspection and administrative offices, an employee and customer parking area, as well as demolition of three existing buildings totaling 41,679 square feet (the “Project”); and

WHEREAS, in connection with the Project, Aero Sky will invest approximately \$4.3 million in the real property improvements with construction scheduled to begin in June 2003, providing approximately 70 one-time construction jobs for 18-24 months and creating 40 new permanent, full-time jobs by 2009; and

WHEREAS, Aero Sky has requested that the property location be designated as a Reinvestment Zone by the City pursuant to the Property Redevelopment and Tax Abatement Act of 1987 (the “Act”), as amended; and

WHEREAS, the land, bounded by Salado Creek to the North, C Street to the West, and Perimeter Road to the South and East, is eligible to be a Reinvestment Zone, in part because it is in an area that is reasonably likely, as a result of the designation, to contribute to the retention or expansion of primary employment or to attract major investment in the area that would be a benefit to the property and that would contribute to the economic development of the City; and

WHEREAS, in accordance with the requirements set out in the Act, notice of the requisite public hearing regarding the proposed designation of the Aero Sky Reinvestment Zone was previously published; and

WHEREAS, on May 29, 2003, the City held a public hearing in the Council Chambers at 114 W. Commerce on the subject of an ordinance designating the Aero Sky Reinvestment Zone, and considered evidence and testimony of interested persons for or against the designation; and

WHEREAS, the City Council hereby finds that the proposed Aero Sky Reinvestment Zone meets the requirements set out in the Act for designation; and

WHEREAS, the City Council also finds that it is in the best interest of the City of San Antonio to designate the previously referenced area as a Reinvestment Zone in order to induce desired and beneficial economic development in the area; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The previously described land bounded by Salado Creek to the North, C Street to the West, and Perimeter Road to the South and East located at 2030 First Avenue at the San Antonio International Airport is hereby designated as the Aero Sky Reinvestment Zone pursuant to the 1987 Property Redevelopment and Tax Abatement Act as amended.

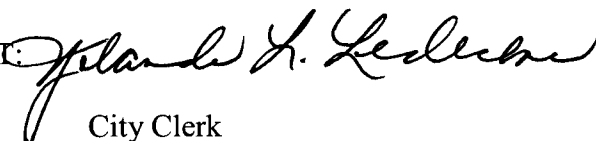
SECTION 2. This ordinance shall be effective on and after the tenth (10th) day after passage hereof.

PASSED AND APPROVED this 29th day of May, 2003.

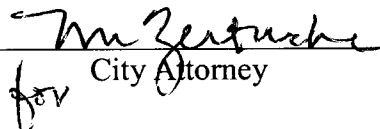


M A Y O R

EDWARD D. GARZA

ATTEST: 
City Clerk

APPROVED AS TO FORM: _____


for City Attorney